

Memorandum



TO: Distribution List

FROM: Bryan Tippie, Budget Director

DATE: October 24, 2002

Re: Minutes of the October 17, 2002 Finance Committee Meeting

Committee Members present: Joe Winkelmann and Harry Atherton

The Finance Committee met on October 16, 2002, at 2:30 p.m. in the 4th Floor Conference Room of the Court and Office Building. This document reflects the official minutes of that meeting.

Treasurer's Report: Beth Ledgerton presented the Treasurer's Report for the Finance Committee's consideration.

County Attorney's Report: Tracy Gallehr discussed the Litigation status for the County Attorney's Office.

Consent Agenda

Supplemental Appropriations:

The following supplemental appropriations were approved for forwarding to the Board of Supervisors for their consideration unless otherwise noted.

FY 2003

1. Sheriff's Office - \$18,355

- a. \$7,355 was approved for appropriation from Federal funds (Share of Seized Assets) for use in drug enforcement operations.
- b. \$11,000 was approved for appropriation from Insurance Proceeds to partially offset the replacement of a wrecked vehicle.

2. Budget Office - \$1,022,752

- a. \$1,000,000 from Carryover – Fund Balance was approved for appropriation from the unexpended FY 2002 balance to replenish the General Fund Contingency Reserve.
- b. \$22,752 also from Carryover – Fund Balance was approved as Reserve for Encumbrance issues for reappropriation; Motorcycle (\$20,440) Sheriff's Office and Color Printer (\$2,312) Budget Office.

3. Social Services - \$10,000

\$10,000 was approved for appropriation from Federal funds to reimburse the Comprehensive Maintenance Plan account for renovation work to the Social Services office at 320 Hospital Hill Drive.

4. Community Development - \$75,116

- a. \$1,250 in local donations was approved for appropriation to offset costs relating to a professional conference.
- b. \$11,210 from the Carryover – Fund Balance was approved for appropriation to support costs relating to the Comprehensive Plan update.
- c. \$7,142 from Carryover – Fund Balance was approved for appropriation for the Brookside Farm rezoning project.
- d. \$20,000 from Carryover – Fund Balance for traffic impact analysis was approved for appropriation.
- e. \$35,514 from Carryover-Fund Balance was approved for appropriation for a temporary part time Planner for the Marshall Service District Project.

5. Airport - \$111,367

\$111,367 from a new fixed base operator agreement that provides additional revenue for the Airport Enterprise fund was approved for appropriation. This action included funding for a new maintenance position.

Transfers:

1. School Division - \$112,492

- a. \$75,587 was approved to be transferred from the Water Systems account in the Capital Improvement Program (CIP) to the Sewer Systems account for support of the sewer treatment project at Pearson Elementary School.
- b. \$36,905 was also approved to be transferred from the Interior/Exterior Lighting CIP account to the Sewer Systems account for the Pearson Elementary School project.

Regular Agenda

Supplemental Appropriations:

FY 2003

1. Adult Court Services - \$16,811

\$16,811 was approved for conversion of a part time temporary aide position to a full time permanent Court Service Officer position. This position was considered to be an effective cost avoidance measure and will be funded from the Contingency Reserve.

2. Warrenton/Fauquier Joint Communications Center - \$216,000

- a. \$216,000 was approved for appropriation for telephone switching equipment to comply with a Federal Communication Commission mandate. Funding support; \$131,372 from Fund 220 Fund Balance, and \$84,628 from a State wireless grant.

- b. As part of this action, staff was directed to reduce the general fund transfer to WFJCC by \$57,550. This amount represented the General Fund support of the Joint Communications Director's position in Fund 220. The funds will now be moved to the General Fund Contingency Reserve.

3. Commissioner of Revenue

- a. \$106,440 was approved for appropriation for Real Estate Tax/Land Records Computer System upgrade. Funding to support the upgrade will be \$58,259 from FY 2002 Carryover – Fund Balance, \$40,000 from CIP Technology, and \$8,181 from the Contingency Reserve. This upgrade is designed to benefit both the Commissioner of Revenue and Treasurer's offices.
- b. Staff was requested to visit Loudoun County to review their software systems for consideration in the possible future upgrading of the Fauquier Community Development Department. Information Resource staff was directed to provide the Finance Committee in December a time line on identifying the elements necessary to upgrade Community Development software program in order to enhance access and use of Department's records.

Transfers:

FY 2003

Adult Court Services - \$14,168

\$14,168 was approved for transfer from the Adult Court Services part time employee salary budget line to the full time salary line for support of the full time office position approved earlier.

Comments:

1. Finance Department

Health Insurance – Janice Bourne, Finance Director, provided the monthly health insurance report. She indicated that after the first three months of FY 2003 there is an approximate 16% increase over the prior year expenditures during the same period. Staff was directed to schedule a Finance Committee briefing in two weeks and brief on the reasons the health insurance costs are increasing by such a rate. This briefing was considered important for the possible impact to FY 2003 and for developing of the FY 2004 budget.

Accounting Code Adjustments – Ms. Bourne stated that adjustments were being made in various accounting codes to improve accuracy of financial reporting. In the CIP a number of codes will be combined or adjusted to enhance tracking of projects. She indicated this could entail the movement of appropriations. However, the approved use of the funds would be ensured.

2. Information Resources

Computer Replacement Plan - Rick Klinc, Director of the Information Resources Department briefed on the current computer replacement plan. Mr. Winkelmann indicated his belief that computers should be replaced out of necessity, not the department's desire or on a fixed date. Mr. Klinc stated that computers were not automatically replaced every three years. He informed

the Finance Committee, however, that all computers need to operate on the same software (Microsoft XP) and are replaced accordingly. A Technology Review Board also has been established to evaluate the benefits of any requested change in computer related equipment and to provide recommendations as necessary. Further discussion was postponed until the November Finance Committee Meeting. Staff was requested to provide the current General Fund computer related replacement budget status and identify the number and dollar amount of department computers that are required to be updated in FY 2003.

3. Tipping Fees

The issue of tipping fees was briefed due to the significant increase (70%) in waste tonnage going into the Convenience Sites. Tipping fees and hauling fees from the Convenience Sites are budgeted in the General Fund. If the trend continues, the County tipping fee budget would be underfunded between \$300,000 and \$500,000. Options to reduce these costs are being considered. Staff will continue to closely review this situation and report back to the Committee at mid year (January). The Assistant County Administrator was also tasked to address alternatives which would not require additional General Fund support.

4. Other Issues

At the close of the meeting, the Chairman of the Finance Committee indicated his concern with how some staff positions and funding issues were approved in the past. He directed that all matters having a financial impact, including staffing issues, must be reviewed by the Finance Committee for its recommendation before the request is considered by the full Board of Supervisors.

5. Adjournment

The Finance Committee Meeting was adjourned until October 31, 2002 for a joint meeting with the Health Insurance Committee. The meeting location and time is to be determined.